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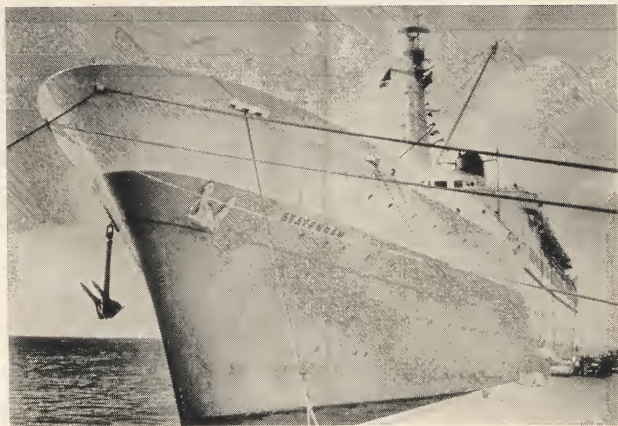
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# THE PUBLISHER'S PAGE

By: Morris Serphos Jr.

The most important happening during the month of December will be the commemoration of the Fifth Anniversary of the Constitution, covering the three partners within the Netherlands Kingdom, the so-called Statuut van het Koninkrijk der Nederlanden. The Constitution was signed on December 15, 1954 in the Hague, seat of the Kingdom Government in the Netherlands, by the various heads of the Governments, e.g. Dr. Willem Drees for the Netherlands, Dr. J. Currie for Surinam, Mr. Efrain Jonckheer for the Netherlands Antilles.

Her Majesty Queen Juliana of the Netherlands Kingdom ratified it. This act concluded years of negotiations amongst the Kingdom Partners, to which many of the highest officials of all parts of the Kingdom took part, amongst which figured prominently Dr. M.F. Da Costa Gomez, Dr. Ch. de la Try Ellis, Juan E. Yrausquin, Hendrik A. Eman, and many others, from the Netherlands Antilles.

The celebration of the first lustrum is a significant milestone, since it enables us to the wisdom of the people of the Kingdom, who by popular vote approved the Constitution.

Before the so-called Statuut went into effect, the Netherlands Antilles had limited say in its affairs and relatively few of its people held important offices. Presently the local people have all or nearly all important posts, including Lt. Governorships, Ministerial Office, Judgeships, and the like. Since 1954 the program of government subsidized study programs in the Netherlands has been increased tremendously. Yearly hundreds of students study at Universities for physician, Doctor at Law, Dentist, Accountant, Government Administrator, etc. Since that time in fact a major evolution has taken place in the role that the Netherlands Antilles play in their own affairs. Steps are continuously taken to improve the cultural relations of the Netherlands Antilles on one hand and the other Kingdom partners on the other hand. Of course children's diseases in this new relationship and its consequences could not be avoided, but it is generally believed in all parts of the Kingdom of the Netherlands that a longlasting close relationship will eventually result. The enthusiasm of the people of the Netherlands Antilles towards its Sovereign Her Majesty Queen Juliana, and other Members of the Royal Family, has been demonstrated time and again during visits that were paid on several occasions. The fact of these visits alone demonstrate the role of the King-

dom in its new style. Our Queen has indicated the importance. She designates toward the overseas parts of the Kingdom. May these visits continue at Her Majesty's discretion and may her reign continue to be a fruitful one, sure as Her Majesty will be of the togetherness of the Antillian people with the House of Orange Nassau!

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Recently the Executive Council of Aruba presented the Budget for 1960 to the Island Council for approval. Great importance is reflected to the further economic development of the island, such as the Hydroponics Farm, the cultivation of Aloe and other projects. Foreign advertising and public relations in the U.S.A. will be continued. The total figure of the proposed balanced budget runs to fl. 21 million for income and disbursements.

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In November the Chamber of Representatives approved the proposal of the Government of the Netherlands Antilles for its flag. It consists of a three color design (red white and blue) with in the center six stars, representing the six islands together forming the Netherlands Antilles. The flag will be flown next to the Kingdom flag on all official occasions.

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The International Fishing Contest was a success for the hard labor of the organizing Committee, headed by Michel Kuiperi of the Tourist Bureau of this island. The prizes for the contest were handed to the captains of the participating teams by His Excellency the Governor of the Netherlands Antilles, which rendered the Contest additional luster. His Excellency Dr. A.B. Spekenbrink is a frequent visitor of Aruba and has shown sincere interest in the well-being of the island on many occasions. Next year the contest will be held in Curacao and the year after in St. Martin.

The prizes were of high quality and many of these were made available by local businessmen. Although our Aruban team kept the Cup it won in last years contest in Bonaire, the teams from Venezuela, Cuba, Panama and the U.S.A. made an excellent impression on local sportsmen and were in good form. The Aruban teams of course held an advantage since they knew the fishing grounds by heart. We sincerely hope that all foreign teams and many tens will participate in the coming years.



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## Página de los Publicadores

Por: Morris Serphos Hijo

El acontecimiento más importante que se celebrará en el curso del mes de diciembre será la conmemoración del quinto aniversario de la Constitución que gobierna las tres partes del Reino Neerlandés, el así llamado "Estatuto". El quince de diciembre de 1954 la Constitución fué firmada en La Haya, centro gubernativo de Los Países Bajos, por los diferentes jefes de los respectivos gobiernos, es decir el Señor Doctor Willem Drees para Holanda, el Señor Doctor J. Currie para Surinam y el Señor Efraim Jonckheer para las Antillas Neerlandesas. Su Majestad la Reina Juliana la ratificó. Este documento concluyó negociaciones corriendo por varios años entre los participantes del Reino. De las Antillas Neerlandesas podemos nombrar en primer lugar el Señor Doctor M.F. da Costa Gomez, el Señor Doctor Ch. de la Try Ellis, Señor Juan E. Yrausquin, Señor Hendrik A. Eman y otros más. La celebración del primer quinquenio marca un jalón muy significativo desde que nos da la oportunidad de juzgar el sentido común de la gente del Reino que por voto confirmaron la Constitución. Antes de que el Estatuto fuese vigentes la población de las Antillas Neerlandesas estaba muy restringida en sus propios asuntos y muy pocos tenían puestos importantes. Ahora los Antillanos tienen todos o casi todos los puestos importantes, v.g. Gobernadores, Ministros, Jueces etc. Desde 1954 el programa de subsidio para estudiar en Holanda aumentó de una manera formidable. Cada año centenares de estudiantes salen para Holanda con motivo de estudiar en las Universidades las profesiones siguientes: médico, abogado, dentista, auditor, administrador del Gobierno etc. En el mero hecho desde ese tiempo un gran evolución tuvo lugar en la parte que las Antillas Neerlandesas desempeñan en sus propios asuntos. Sin cesar se trabaja para mejorar las relaciones culturales de las Antillas Neerlandesas con las otras partes del Reino. Claro está que en esta nueva relación enfermedades infantiles y sus consecuencias no se pudieron evitar, pero en general todas las partes del Reino Neerlandés están seguros de que una relación íntima resultará al fin, lo que será un beneficio para todos los consernientes.

El entusiasmo y la lealdad de los habitantes de las Antillas Neerlandesas para con la Soberana su Majestad la Reina Juliana y los demás Miembros de la Familia Real se demostraron en las varias ocasiones que nos visitaron. Sólo con el hecho de estas visitas

se demuestra el papel del Reino en su nuevo estilo. Nuestra Reina nos indicó la importancia que ella atribuye a las ultramaras del Reino! Que estas visitas sigan al juicio de su Majestad y que su reinado siga siendo uno muy provechoso! El pueblo antillano siempre se sentirá uno con la Casa de Oranje Nassau!

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La Junta Ejecutiva de Aruba acaba de presentar al concejo de la isla para aprobación el presupuesto del año 1960. Se dió gran importancia al desarrollo económico de la isla tales como la granja hidrofónica, el cultivo de álces y otros proyectos. Publicidad y promoción en los Estados Unidos serán continuadas. La suma total del presupuesto corre a 21 millones de florines para ingresos y egresos.

\*\*\*

En noviembre la Cámara de Representantes sancionó propuesta del Gobierno de las Antillas Neerlandesas para su propia bandera. Se compone de un diseño de tres colores, rojo, blanco, y azul, en el centro seis estrellas representando las islas que forman las Antillas Neerlandesas. La bandera será enarbolada al lado de la bandera del Reino en todas las ocasiones oficiales. El concurso de pesca internacional fué un enorme éxito para la gran actividad de la comisión organizadora, dirigida por el señor Michael kuiperi de la Oficina del Turismo de esta isla. Su Excelencia el Gobernador de las Antillas Neerlandesas entregó los premios del concurso a los capitanes de los teams que participaron. La llegada del Gobernador daba el concurso cierto esplendor. Su Excelencia el Doctor A.B. Speekenbrink visita frecuentemente a Aruba y en varias ocasiones dió muestras de sincero interés en el bienestar de la isla. El concurso se celebrará el próximo año en Curazao y en el año siguiente en San Martín. Los premios eran valiables y los negociantes arubanos los habían puesto disponibles. Aunque nuestro team arubano se quedó con la copa que ganó el año pasado en Bonaire, los teams de Venezuela, Cuba Panamá y los Estados Unidos hicieron un impresión excelente a los aficionados locales y se encontraban en buena condición. Claro está que los teams arubanos llevaban ventaja puesto que ellos saben de memoria los sitios donde hay peces. Esperamos sinceramente que todos los teams del extranjero y muchos nuevos participen en los años que vienen.



## INTERVIEW WITH FUTURE K.L.M. PRESIDENT

After a brilliant career in the Department of Foreign Affairs, culminating in Undersecretary of State, Dr. E.G. van der Beugel joined the K.L.M. and will succeed Mr. Aler as President of K.L.M. in 1961.

Dr. van der Beugel headed the delegation that in 1957 negotiated and obtained the landing rights for K.L.M. in New York and in Houston. On the question with what landing rights the Kingdom of the Netherlands reciprocated, he answered:

"With none. That would be impossible for under our laws landing rights are free".

We trust that Trans Caribbean Airlines are informed of this situation.

Mr. D. Stikker, ambassador in London, heads now the delegation in charge of negotiations of landing rights and consequently Dr. van der Beugel could not say much about possible landing rights in Los Angeles.

Our next question was: "Does the possibility exist that the rates in the interinsular traffic will be reduced? It has become a sore spot that the passenger mile-rate in the region above Cuba is lower than the rate in the region below Cuba."

We regret to say that both Dr. van der Beugel and twenty minutes later (when he joined us) Mr. Steensma, Manager of K.L.M. Caribbean, shied away from this question.

Dr. van der Beugel answered that the Netherlands Antillean Department of K.L.M. shows an integral loss (this was one of our questions and will be referred to later) and that the rate structure of an airline is of an extremely intricate nature.

Maybe it is opportune to remark here that Dr. van der Beugel, who has a very sympathetic personality, answered freely and frankly. Notwithstanding, we feel that the problem of the rates did not receive the attention it merits and we are still very much in the dark about it. If it is true that this question could not be discussed properly in a whole afternoon, least of all in the time allotted to us, then we suggest that it might be a good idea if a KLM official would expound this problem in an article.

Continuing with the interview, it appeared that Aruba's airfield is not suitable for jet-planes. The length is 1850 meter and jet-planes require at least 3300 meters. Moreover, the idea is to have jet-connections with central airports and traditional air-planes on other routes as feeders. As a result of these considerations Curacao will be the jet airport coming April for the Caribbean region. The jets will replace the DC 7's and then these bigger "classic" air-planes will serve the shortranges. In other words Aruba can certainly count on DC 6 in interinsular traffic. It is far from true that Aruba gets old material. For instance there will be a connection with New York in April with DC 7 and with Maracaibo with DC 6 or Convair. As far as this connection is

concerned KLM is restricted by the rule of maximum 44 passengers per flight from Venezuela and already from this point of view it would be senseless to insert larger planes.

KLM does not intend to use the turbo-prop Fokker Friendship. Personally, Dr. van der Beugel regrets this and with him the majority of the KLM officials. The technicians have come to the conclusion that the F 27 does not fit in the line-structure of the KLM. It is, however, a magnificent plane in all respects.

Our next question concerned the connection Aruba-Mexico via Bogota and Panama.

A direct connection is not possible as already the connection Curacao-Mexico City is half an hour above the maximum.

The connection Aruba-Barranquilla, however, will soon be a reality. For some time it has been the desire of the RAS (Rutas Aereas SAM, now Rutas Aereas de Colombia) to bring this connection about. KLM is financially and technically interested in the RAS. We were informed that RAS also has a route to Mexico City and to Rio.

Question: In every yearly report it is observed that the route Aruba-Curacao vice versa sustained a loss. How does KLM account for this loss? Is this route considered an entity or is it taken into consideration that it is also a feeder to the flights to Miami, New York and Caracas? (The purpose of this question is clear. When one considers such a shortrange connection as an entity, the income will never be able to cover the disbursements. If, however, it is considered a feeder-line then the income of the other connections is allotted to the route Aruba-Curacao). Dr. van der Beugel answered that there was an integral loss, that, notwithstanding, Aruba had the full cooperation of the KLM in promoting tourism, that KLM was glad to serve this line and that the service would always be to the best of KLM's ability.

Mr. Steensma made an interesting remark here and asked us how much we thought that KLM spent in eight years for advertising and promotion in the U.S.A. for only the Netherlands Antilles.

It turned out to be more than one million guilders. We observed that not so long ago KLM promoted only Curacao in their advertising in the U.S.A. and in Venezuela and that only recently KLM has started to promote also Aruba in the U.S.A. Could we expect such a policy in Venezuela too?

Much to our satisfaction the answer was in the affirmative. We learned that shortly KLM will introduce "Creative fair tours" from the U.S.A. to our islands and that Aruba will be included, hence we may expect additional tourists in the off-season.

Reverting again to the high passenger mile-rates between the Antilles and Cuba, Haiti, Puerto Rico and the low rates from these countries to the U.S.A., the question was now whether we could expect eco-



many flights from the U.S.A. and, if so when. The answer was that economy flights from the U.S.A. will be introduced very soon, the exact date not being known yet, but anyway shortly.

This was the first time that Dr. van der Beugel visited Aruba and we asked his impressions.

Very beautiful island, nice population. I like it here, especially in this palatial hotel. I enjoy my stay here. Again we thank Dr. van der Beugel for this interview and for his answers.

Some of the questions were of a searching nature. The relations between the Aruban businessman and KLM need improvement. Rightly or wrongly, Aruba feels short-changed by KLM. Aruba is now investing considerably in order to obtain more diversified sources of income in the future.

## Editorial

### INTEGRALE EN DIFFERENTIELE KOSTPRIJS.

Tijdens een gesprek, dat handelde over concurrentiestrijd en tariefs ook over het verschil in prijs bij "economy flights" en gewone vluchten, werd de wens geopperd iets meer te willen weten over kostprijs, integraal en differentieel. Nu blijkt dat voor dit onderwerp belangstelling bestaat, is dit een aanleiding om daarover zeer in het kort, iets mede te delen.

Onder "kosten" verstaat men de gebrachte offers, die meetbaar zijn en die een oorzakelijk verband vertonen met de productie of de aankoop van een handelswaar. Met dit laatste wordt bedoeld dat men die offers moet kunnen voorzien en dat ze onvermijdelijk moeten zijn.

Als men bijvoorbeeld een oude fotocopieermachine heeft, waar men eerst allerlei chemicaliën op een bepaalde temperatuur in moet gooien om een behoorlijke fotocopie te krijgen en er komt dan plotseeling een machine in de handel, die direct een copie geeft, dan is die oude machine praktisch niets meer waard, in ieder geval zal men de kosten niet meer door kunnen berekenen. Dat is "onvoorzien".

Verspilling aan tijd en aan materiaal zijn offers die vermeden hadden kunnen worden. Ook die offers kan men niet verhalen op de afnemer, want de concurrent, die niet zo inefficiënt is, doet dat ook niet. Onder integrale kostprijs verstaat men nu de som van alle "kosten". Het zal duidelijk zijn dat de integrale kostprijs de eigenlijke kostprijs is, de enige kostprijs, de "kostprijs" tout court. Onder differentieel kostprijs verstaat men de kostprijs van de toegevoegde producten. Men neemt de totale kostprijs die men had, trekt dat af van de totale kosten die men nu heeft bij meerdere productie en dan verschil is dan de differentieel kostprijs. Dat gedeelte door het aan-

The whole population pays for that. We understand that if KLM has additional disbursements for promoting our island, they expect results. We do not care when we start to suspect that the interpretation of the figures tend to be to our disadvantage. We simply want more, better and cheaper connections. We figure that in the long run this is not only in the interest of Aruba, but also of KLM, which is our national airline, of which we are proud and which we want to support as much as possible.

We have a beautiful hotel. Aruba is already a worthwhile tourist resort and we are constantly improving. So, on OUR part we are doing something. We are happy to say that from the interview with Dr. van der Beugel we got the impression that on THEIR part KLM will see to it that there will be an easy and inexpensive access to Aruba.

tal eenheden toegevoegd product, geeft de differentieel kostprijs per eenheid toegevoegd product.

Laten we als voorbeeld eens een krantendrukkery nemen. Alle kosten van dat bedrijf zijn reeds gedeckt door het drukken van de krant. Is die krant klaar, dan blijven er, zo veronderstellen wij teminste, nog een paar uur over voordat de nieuwe krant ter perse gaat. In die tijd van leegloop, die wij veronderstellen, zou dat krantenbedrijf bijvoorbeeld een boek kunnen gaan drukken. Tegen welke kosten? Volgens de differentieel kostprijs zijn de kosten gering. Wat papier en een paar liters drukinkt. Laten wij verder veronderstellen dat dit bedrijf deze toevallige order voor het drukken van een boek inderdaad uitvoert tegen een prijs, die gebaseerd is op die differentieel kostprijs (vergeefse hoop. Ze zullen niet zo dom zijn) en dat ze uit een soort schroom zich niet kunnen verweren tegen de stroom van orders tot het drukken van boeken, die ze noodzakelijkerwijs krijgen. Dan kunt U meteen voorspellen wat er gebeurt. Binnen een maand zijn ze failliet. Gelukkig maar want door hun prijsbederf ("dumping" is precies zo iets, alleen leeft men dan gescheiden marten) dwongen ze de gespecialiseerde boekdrukkers om tot het drukken van kranten over te gaan. Dat konden die boekdrukkers net zo min of net zo slecht als de gespecialiseerde krantendrukkerij het drukken van boeken.

Gevolg: algemene verspilling, slecht product, algemene misere.

Drie dingen worden nu duidelijk. Prijsbederf levert wel een tijdelijk voordeel op voor den afnemer, op den duur evenwel een nadeel voor de algemene economie.

Vervolgens dat "de" kostprijs de integrale kostprijs is en niet de differentieel, immers toepassing van de laatste, of liever gezegd het koppelen (het automatische verband) van de laatste aan de verkoopprijs deed het bedrijf failliet gaan, want niet alle kosten werden vergoed.

Tenslotte dat men heelmaal niet een automatisch

verband mag leggen tussen kostprijs, differentieel of integraal, en verkoopprijs.

Met de twee eerstgenoemde beweringen zal men het wel eens zijn, met de derde niet zo gauw, althans wat de integrale kostprijs betreft.

Op onze eilanden is men gauw geneigd om een automatisch verband te leggen tussen kostprijs en verkoopprijs. Men zegt dan dat men een mark-up van zoveel procent wil hebben ter dekking van algemene kosten en voor winst en zo verkrijgt men dat de z.g. juiste verkoopprijs, altijd in de veronderstelling dat de kostprijs goed is berekend. Die wordt niet altijd goed berekend. Men werkt nogal veel met een z.g. calculatiekoers, ook in die gevallen waarbij de toepassing een calculatiekoers bepaald fout is. Men moet er voor zorgen dat de kosten op het gewicht en de kosten op de waarde goed worden verdeeld. Veronderstel nu dat de kostprijs juist is, dat verschillende soorten goederen verschillende mark-ups hebben (aardappelen niet hetzelfde als een flesje parfum) dan nog is het gebruik van mark-ups om tot "de" verkoopprijs te komen onjuist. Wat bedoelt men eigenlijk? Op de achtergrond van de gedachten zit de idee dat men zodoende de "rechtvaardige" verkoopprijs zou kunnen krijgen. In onze kleine en betrekkelijk geïsoleerde gemeenschap komt die verkeerde handelwijze niet zo direct tot uiting. Als de markt groter zou zijn en het goederenverkeer intensiever, dan zou het verkeerde wel gauw in het oog springen. Nu kan men zijn te hoog geprijsde goederen (relatief gezien) nog altijd kwijt in de periode dat de concurrent niet is uitverkocht en voordat de nieuwe zending wordt aangevoerd. Nu spreekt het niet zo dat sommige goederen net de boot misten, op de plank blijven staan en door de geaccumuleerde opslagkosten (al of niet uitdrukkelijk tot uiting gebracht, meestal niet) hun gewicht in goud waard worden en praktisch onverkoop braa. Onze marktverhoudingen waren, en zijn gedeeltelijk nog, zo statisch. Dat verandert met den dag. Het wordt alles dynamischer. Meer verkeer, be-

tere, snellere verbindingen. Daarbij komt dat er bedrijven beginnen te komen die geen genoegen nemen met de hun toegewezen plaats in die statische maatschappij. Die willen niet blijven staan, zelfs niet langzaam maar gestadig bouwen, die willen bewegen, die willen een groot brok van die markt. Dan blijkt dat men bij het vaststellen van verkoopprijzen, bij de verkooppolitiek, met heel andere factoren moet rekenen. Wat is dan de betekenis van de kostprijs of heeft die dan geen betekenis meer? Zeker wel. Het verschil tussen opbrengst en kostprijs laat zien of het bedrijf al dan niet rationeel is. Kan de kostprijs niet meer goed gemaakt worden, dan is het bedrijf tijdelijk irrationeel en dient men snel te reorganiseren.

Als men nog een argument wil hebben dat verkooppolitiek los staat van kostprijs, dan moet U zich eens indenken dat U de verkoopprijs op de traditionele wijze hebt vastgesteld en dat inmiddels de de inkoopprijs tweemaal zo hoog wordt. Het gevolg is dat U door Uw starre verkooppolitiek niet eens meer kunt terugkopen wat U oorspronkelijk had.

Nu weet ik wel dat het bovenstaande tamelijk theoretisch is gezien en dat in de praktijk de verhoudingen op de inkoopmarkt toch ook wel statisch zijn, mede en voornamelijk door het optreden van merk-artikelen, maar nu doet zich het feit voor dat de verhoudingen op de verkoopmarkt hoe langer hoe dynamischer worden en nu doet zich per slot van rekening hetzelfde probleem voor, dat daarop neerkomt dat verkooppolitiek iets heel wat anders is dan het mathematisch uitrekenen van de kostprijs. Het verwijt, „prijsbederf“ past niet in het verband met het voeren van een dynamische verkooppolitiek, welke gericht is op het veroveren van een markt. Daartegenover moet men maar de maatregelen stellen die men dienstig acht en welke voor ons artikel niet ter zake doen. De differentieële kostprijs en de prijspolitiek die daarmee samenhangt zal nog kort behandeld worden in een volgend artikel.

## ECONOMY AND FINANCE

### BULLETIN ON ECONOMIC DISCUSSION IN THE NETHERLANDS.

At the end of the discussions of the Antillian delegation, (H.E. Mr. C.D. Kroon, Minister of Social and Economic Affairs, and H.E. Mr. J.E. Yrausquin, Minister of Finance and Development,) with the Netherlands Government, a bulletin was published, which announced the major points and results.

1. Contribution of the Netherlands Antillian Budget toward the Kingdom Defense. Agreement has been reached that the N.A.f 1,000,000,— will be waived by the Netherlands for the years 1959 and 1960.

2. The Development plans for Bonaire and the Windward Islands of the Netherlands Antilles. A plan providing for a fund of US\$ 6 million, of which amount the Netherlands Antilles will contribute 1/3 part as a loan, and the Netherlands Government 1/3 part as an outright gift.

3. The association of the Netherlands Antilles with the European Common Market. (For details see the November issue of "ECHO")

4. The preferential rights of the Benelux countries (Netherlands, Belgium, Luxembourg) in the Netherlands Antilles, in anticipation of the Association with the Euromarket.

5. A Development Program for the Netherlands

Antilles in the form of a ten year plan, parallel to the Netherlands sponsored ten-year plan for Surinam. 6. Discussions with K.L.M. Royal Dutch Airlines to increase the air connections with the Netherlands Antilles from abroad and to study the possibility to found an Antillian Airline, especially designed to promote tourism.

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The Antillian Ministers also arranged with the Netherlands Justice Department to provide for Appeal to the Netherlands High Court, for those cases which require from the Antillian Court of Justice. A visit of the Vice-Premier of the Netherlands, Dr. Kort-hals, who is in charge of inter-Kingdom relations with the Netherlands Antilles and Surinam, may be expected in February 1960 to conclude all negotiations as mentioned above.

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The "Echo" has covered the negotiations and the background already in earlier editions, and the bulletin confirms most of its information. At this time we only wish to comment on point 4, as mentioned above, with regard to the preferential rights of the Benelux countries for their export to the Netherlands Antilles. Apparently the Netherlands Government has stipulated that as a condition of the association of the Netherlands Antilles to the Euro-market, the Benelux countries will enjoy lower tariffs in the Netherlands Antilles for their export trade, which in itself means a novum in our system of trade. We may expect a lowering of import duties for all merchandise originating from the Benelux shortly, or if this proves to be infeasible the Netherlands Antillian Government may propose to raise import duties on merchandise originating from other countries. We personally expect lowering of tariffs for merchandise and materials of Benelux origin, in accordance with the stipulations of the Euromarket Treaty. This might well be a boost to the Netherlands export not only to the Netherlands Antilles, but also to other countries of Latin America. As such the agreed policy of trade reciprocity is not unusual and logical.

The fact that the negotiations have resulted in success and better understanding are highly rewarding toward the Kingdom relations within the frame of the 1954 Constitution (Statuut).

#### EMISSION PAINT COMPANY..

On December 8 an emission of 4,000 shares was announced by the Antillian Paint Company, underwritten by a group of banks, including the Amsterdamsche Bank N.V., and Maduro & Curiel's Bank N.V. and Edwards Henriquez & Co's Bank of Curacao, at the price of 110 guilders, for shares of f. 100,— nominal (Antillian currency). The Company was founded by a group of Netherlands paint

manufacturers and a group of Antillian investors. The capacity of the plant is calculated to be able to supply the entire Antillian market completely, and have enough more over to export to the Caribbean area. Government proposals for protection of this Antillian industry are expected, which will probably be in the form of exemption of tariffs on the required raw materials for the new factory, and increased tariffs for imported paint. The factory will be completed at the end of 1960, and will be located on our sister island Curacao.

#### ISSUE SHARES NETHERLANDS ANTILLIAN HOTEL CORP.

The Antillian Finance Corp., an experienced financial organisation, established in Aruba, has announced a new issue of common stock consisting of 2,500 shares of US\$ 52,— per share, at par, of the Netherlands Antillian Hotel Corporation. This Hotel is established on St. Maarten since 1953. It has a capacity presently of 20 rooms, and the new issue will be used to increase the capacity with another 20 rooms. The Hotel has been successful in its aims, and tourism on St. Martin has increased manyfold since 1953. This years dividend is estimated at 5%, in the past year the dividend was 4%. The issue will close on December 30, 1959.

#### LAGO HOUR

During the month of October the program of the Lago Hour, broadcast over Aruba's three radio stations - Radio Kelkboom, Radio Victoria and Voz di Aruba - carried a review of the history of Standard Oil Company (N.J.) by General Manager W.A. Murray. The text of Mr. Murray's talk follows:

The name Standard Oil Company of New Jersey and Humble oil and Refining Company recently appeared in many newspapers. The articles told of a proposed merger of affiliated companies in the U.S. as the first step in a plan to consolidate producing, refining, marketing and marine operations. Because of the interest this story generated, here are some other historical notes about the Standard Oil Company of New Jersey.

Jersey Standard as we know it, has for over three quarters of a century been an important contributor to the wealth and wellbeing of many nations. Companies affiliated to Standard Oil produce crude oil in 17 countries refineries in 23 and market in 135 different nations and dependencies.

The Jersey company and its affiliates employ approximately 110,000 men and women in the Western Hemisphere. Thousand more are employed in nu-

merous countries of the Eastern Hemisphere. All are capable, skilled, loyal employees. But how did this come about - the size, the number of employees, the far-flung operations of companies affiliated with Jersey Standard? Actually it started in a small way, but once it started to grow under the guiding genius of John D. Rockefeller, it became one of the United States' most progressive companies.

Shortly after Colonel Edwin L. Drake successfully drilled through rock for oil on a tract of land near Titusville, Pennsylvania, 20-year-old John D. Rockefeller changed from the farm produce business to the building of an oil refinery in Cleveland, Ohio. This was early in 1863. By 1870 the Standard Oil Company Incorporated in Ohio was formed. By 1872 the Standard Oil Company had become the foremost shipper of petroleum products in the country. Mr. Rockefeller had been joined by such men as Henry M. Flagler, Charles Pratt, Oliver H. Paine and others in the operation of his company. As the business reached larger proportions, however, a more effective form or organization was necessary, and in 1882 all concerned pooled their interest in a trust agreement. That was the beginning of the company we know as Standard Oil Company of New Jersey.

This group that formed the Standard Oil Company of New Jersey controlled forty separate companies, representing more than 75% of the refining capacity in the United States and 90% of the pipeline facilities. Standard's early growth occurred during one of the most active and aggressive periods of American business history. The country was developed rapidly and there was a great need for goods of all kinds. To meet many requirements many corporations were being formed and methods of mass production were being introduced. It was a period of mergers and combinations.

As time went on, however, public pressure for legislation to prevent excessive concentration of industrial developed and eventually found expression in many measures. One of the most important being the Sherman Anti-Trust Law. It was this law in 1911 that brought about the dissolution of the 34 independent companies that belonged to the Standard Oil Trust. Standard's purpose to stabilize trade was invited by the chaotic conditions of the young oil industry. Success in doing so was welcomed and assisted by many in the business. Standard's professional ethics to achieve efficiency were neither illegal nor uncommon in the days. Following the dissolution, the Jersey Company retained two large refineries on the East Coast and a large part of the

foreign business. One aspect and a serious one for the early Jersey company was it had little crude oil production. So it was during World War I the Humble Oil and Refining Company, a small but promising Texas firm, had begun to assume importance in crude oil production. Humble was in a situation to explore and develop the oil possibilities of large areas in Texas, but needed capital. Jersey had the capital but needed the crude oil. In 1919 the Jersey company bought 50% of Humble stock. Jersey stock ownership in Humble was later increased and today we have the proposed merger of the two companies.

While strengthening its domestic position, the company also expanded abroad. Interests were obtained in Peru in 1949 and Colombia in 1920 through the purchase by International Petroleum Company Limited of companies holding concession in those countries. International at the time a subsidiary of Jersey's Canadian affiliate, Imperial Oil Limited, has since become the leading producer, refiner, and marketer in Peru and Colombia and the holder of producing interests in Venezuela as well.

In 1921 another affiliate, Standard Oil Company of Venezuela, was organized to carry on oil exploration in that country. Then in 1928 Jersey Standard obtained a major interest in Creole Petroleum Corporation, a company which had been organized in 1920 to acquire Latin American oil concessions. Four years later - in 1952 - through the purchase from Standard Oil Company of Indiana of its stock interest in Pan-American Foreign Corporation, Jersey acquired ownership of Lago Petroleum Corporation and Producing Company with extensive holdings in the now famous Lake Maracaibo area of Venezuela. With this purchase also came ownership of the refinery in Aruba.

Consolidation of most of Standard's Venezuelan interests was affected in 1943 when Standard Oil Company of Venezuela and Lago's Venezuelan properties were acquired by Creole. The same sort of expansion took place throughout the world as Jersey's search for oil was extended world-wide. They reached the East Indies, the Middle East, Europe and Africa. In all its relations with its affiliates the Jersey Company stresses decentralized management believing that a system of independent self-reliant companies gives maximum encouragement to growth and development of leadership. Through this flexible form of organization Standard Oil Company of New Jersey strives to exemplify the progressive democratic character of American industry.

## NEW ANTILLIAN FLAG HANDED TO H. M. THE QUEEN

On December 3 a deputation consisting of the Resident Minister of the Netherlands Antilles in the Hague, Netherlands, Dr. W. Lampe, and the Ministers of the Netherlands Antilles temporarily in the

Netherlands, H.E. Mr C.D. Kroon and H.E. Mr. J. E. Yrausquin, paid a visit to Her Majesty Queen Juliana in Soestdijk Palace, to hand her a specimen of the new flag of the Netherlands Antilles.

# Economic Relations with Venezuela

The recent exchange of diplomatic notes between the Government of Venezuela and the Governments of the Netherlands and Netherlands Antilles once more throw the spotlight on economic relations between the Netherlands Antilles and Venezuela.

The Venezuelan Oilworkers seem to have advised their Government to restrict the export of crude oil to Aruba and Curacao. This advice was an apparent reaction to the impossibility of the local authorities to continue to detain two American resided pilots of Cuban nationality. International Law and local Laws made the detention contrary to human rights. The two-engined sportsplane piloted by these Cubans had landed per change on the Aruba Airport after unintentionally throwing out anti-Bethencourt leaflets over the island of Curacao.

The people of this country in general, its government and its businessmen in particular have maintained for many years policy of sincere friendship and friendly relations with the Venezuelan people, its Government and its businessmen. This friendship has been demonstrated on many occasions and more recently when the Aruba Caribbean Hotel and Casino was officially opened in July of 1959. An important Venezuelan Governmental delegation attended the ceremonies, amongst which figured prominently H.E. the Minister of Finance, Dr. Mayobre and H.E. the Minister of Labor, Dr. Fernandez Solis.

The import of Venezuelan crude oil is the most important of imports, but in recent years many industrial and agrarian products found their way to our consumers market, such as Savoy Chocolates, Pampero Rum, Venezuelan coffee (El Peñon and Imperial), Venezuelan sugar and Venezuelan fruits.

The so-called "cinco y seis" lottery is a big money maker for Venezuela here and very popular and Venezuelan Insurance Companies such as Seguros Caracacas are active.

But as we mentioned the oil import from Venezuela is the most important trade factor. But just as much as we depend on this import for the economic existence of our oil refineries, Venezuela needs the export of its crude oil to the Netherlands Antilles, because of the excellent trade relations of the Netherlands Kingdom, which will shortly be greatly enhanced through membership of the European Common Market, a market for Venezuelan oil of 170 Million people, oil imported from Venezuela, refined in the Netherlands Antilles. It is moreover well-known that crude oil in the Middle East is abundant and competitive in price.

Because of the long-existing friendly relations with Venezuela, we are certain, however, that this incident will shortly be closed permanently and satisfactorily and that the friendly relations will continue to grow and prosper to the advantage of both countries concerned.

Between friends unpleasant incidents may occur but especially because of the lasting friendship they should not result in strains, proving that friendship is an intimate strong sentiment of permanent nature. The Venezuelan people and its Government may rest assured that our Government as the exponent of these mentioned friendly sentiments, and the Netherlands Kingdom Government with its history of democracy will never interfere in internal affairs of Venezuela nor sustain any anti-democratic movement wherever it may arise.

## Las relaciones economicas con Venezuela

El reciente intercambio de notas diplomáticas entre el Gobierno Venezolano y los Gobiernos de Holanda y las Antillas Neerlandesas trae una vez más a la atención las relaciones económicas entre las Antillas Neerlandesas y Venezuela.

Los trabajadores petroleros de Venezuela parecen haber aconsejado a su gobierno que limite la exportación de petróleo crudo para Aruba y Curazao. Este consejo es evidentemente una reacción a la imposibilidad por parte de las autoridades antillanas de continuar la detención de los dos aviadores cubanos residentes de los Estados Unidos. Leyes internacionales y locales prohíben tal detención por ser contraria a los derechos humanos. El aeroplano deportivo conducido por esos cubanos por casualidad aterrizó en el Aeropuerto de Aruba después de haber lanzado panfletos anti-Bethencourt sobre la isla

de Curazao.

Desde hace muchos años los habitantes de este país en general, su Gobierno y sus negociantes en particular mantienen relaciones amistosas con el pueblo Venezolano su Gobierno y sus negociantes.

En varias oportunidades esta amistad se demostró y recientemente con la inauguración del Aruba Caribbean Hotel y Casino en julio de 1959. Una delegación importante del Gobierno de Venezuela concurre a la ceremonia. Entre los invitados hemos visto S.E. el Ministro de Hacienda Dr. Mayobre y S.E. el Ministro de Trabajo Dr. Fernandez Solis. La importación del petróleo crudo de Venezuela figura, en primer lugar. Se importan también varios productos industriales y agrarios tales como chocolate, ron, jugos, café, azúcar, frutas y legumbres. La lotería "Cinco y Seis" que es muy popular aquí también re-



sulta muy productiva para Venezuela. Además Compañías de Seguros de Venezuela, tales como Seguros Caracas, son muy activas.

Esto no obstante, la importación del petróleo crudo es lo más importante, como ya hemos mencionado. Pero tanto como nosotros dependemos de esta importación para la existencia económica de nuestras refineries de petróleo cuanta depende Venezuela de la exportación hacia las Antillas Neerlandesas por las excelentes relaciones comerciales del Reino Neerlandés que aumentará aún más en valor por la Asociación con el Mercado Común de Europa. El petróleo crudo de Venezuela refinado en las Antillas Neerlandesas tiene acceso en un mercado de 170

millones de habitantes. Además es cosa bien conocida que el petróleo crudo del Oriente es abundante y competidor en precio.

Estamos seguro, que por las relaciones amistosas que ya existen entre nuestros países durante tanto tiempo este incidente pronto será concluido permanentemente y satisfactoriamente.

El pueblo Venezolano y su Gobierno pueden estar seguro de que nuestro Gobierno de su parte siempre atento a las mencionadas relaciones amistosas, y el Gobierno del Reino con su larga historia de democracia nunca intervendrá en los asuntos internos de Venezuela ni ayudarán a cualquier movimiento anti-democrático.

## Boletín acerca la discusión económica en Holanda

Terminada la discusión de la delegación antillana (S.E. C.D. Kroon, Ministro de los Asuntos Sociales y Económicos, y S.E. J.E. Yrausquin, Ministro de Hacienda) con el Gobierno Neerlandés se publicó un boletín con los puntos y resultados más importantes.

1. Contribución de las Antillas para la defensa del Reino. Llegaron a un acuerdo que para el año 1959 y 1960 el Gobierno Neerlandés renuncia su derecho de un millón de florines antillanos.

2. El proyecto para el desarrollo de Bonaire y de las Islas de Barlovento. El Gobierno Neerlandés declaró estar de acuerdo con el proyecto y que está dispuesto a proveer un fondo de seis millones de dólares, del cual las Antillas Neerlandesas contribuirán una tercera parte, los Países Bajos una tercera parte como préstamo y el resto gratuitamente.

3. La asociación de las Antillas Neerlandesas con el Mercado Europeo Común (para detalles véase el Echo de Noviembre).

4. Los derechos privilegiados de los países del Benelux (Holanda, Bélgica, Luxembourg) en las Antillas Neerlandesas anticipando la asociación con el Euromercado.

5. Un proyecto de desarrollo para las Antillas Neerlandesas en forma de un "diez-años" programa análogo al diez años plan del Surinam del cual Holanda es el promovedor.

6. Conferencias con la K.L.M. con el propósito de que extiendan las comunicaciones del extranjero a las Antillas Neerlandesas y de que estudien la posibilidad de fundar una línea aérea antillana dedicada especialmente al turismo.

Los ministros también convinieron con el Departamento de Justicia a proveer en apelación ante el Tribunal Superior en la Haya en esos casos que demanden apelación del Tribunal Antillano. El ministro Dr. Korthals nos visitará en febrero de 1960 para concluir las negociaciones mencionadas arriba.

En ediciones anteriores el Echo ya describió las negociaciones y lo que antecede y el boletín corrobora la mayoría de estas informaciones.

Ahora solamente queremos discutir el ya mencionado punto 4 con respecto a los derechos privilegiados de los países del Benelux para su exportación a las Antillas Neerlandesas. Parece que el Gobierno Neerlandés haya estipulado como condición de la asociación de las Antillas Neerlandesas con el Mercado Europeo el obtener derechos arancelarios más módicos para las mercancías procedentes de los países Benelux, lo que sería una novedad en nuestro sistema de derechos de importación. Pronto podemos entonces esperar una baja en derechos de aduana para todos los artículos que se importan de Benelux o, si esto resulta impracticable, puede ser que el Gobierno Antillano proponga aumentar los derechos sobre productos procedentes de otros países.

Personalmente creemos que disminuirán el arancel en cuanto a las mercancías de origen Benelux, esto de acuerdo con las estipulaciones de Pacto del Mercado Europeo. Esto no solo podría ampliar la exportación neerlandesa a las Antillas sino también por vía de nuestras islas a los otros países de la América Latina. Como tal el sistema de reciprocidad es lógico y no excepcional.

El hecho de que las negociaciones resultaron tan satisfactorias nos demuestra que las relaciones dentro del Reino como están fijadas en la Constitución (Statuut) siguen estableciéndose más y más.

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# Dateline Manhattan

by Max Tak

ARUBA and a controversy in the U.S.A.

As the reader will remember some months ago, there was quite a dispute going on in the U.S.A. about the subject of education. The debate was caused by several circumstances. One of them was the remarkable progress in the field of missiles attained behind the Iron Curtain. Polls, which were organized in an effort to establish facts about the American school-system, resulted in worried editorials by leading newspapers.

However, one of the most conspicuous things about the subject of education was contained in the book EDUCATION AND FREEDOM of which no one other than Hyman G. Rickover, Vice-Admiral USN, is the author. I should like to emphasize a fact of tremendous significance: Admiral Rickover is the man who pushed away all kinds of opposition and built the Nautilus, first submarine to use atomic energy. As 571 of the American submarine fleet, the Nautilus has accomplished achievements which have the unlimited admiration of all nautical experts of the free world.

The success of the 571 was so complete that several submarines have been and are being built on the principles as developed by Admiral Rickover.

In his book, a 1959-publication of E.P. Dutton & Co., Inc., New York, one finds on page 229 the chapter "The Dutch secondary schools and a note on Dutch education in general." On page 233 is written: "Our high schools are not only inferior to the Dutch secondary schools in foreign languages but in all other subjects as well."

It can be considered superfluous to write that the Rickover statements also helped in a way to introduce improvements in the educational field.

When I read some time ago Rickover's book I did not expect that Aruba would play a part in the controversy which has developed since Admiral Rickover proclaimed his preference for the Dutch school-system in general.

But Aruba does, indeed.

In the New York World-Telegram and Sun of November 13, I discover among the LETTERS FROM READERS the following letter written by Wilfred Funk. If I am not mistaken, Mr. Wilfred Funk has been a vice-president of the well-known Funk and Wagnalls Company, a publishing enterprise of which the New Standard Encyclopedia enjoys a well deserved reputation in the U.S. He also authored a book of collected verse (1931) with the title "Manhattans, Bronxes and Queens".

Assuming that Aruba did not read the Wilfred-letter, it follows completely in this column.

Why don't we make better use of the schools we have?

I have a daughter living in Aruba, a little Dutch island off the coast of Venezuela. She has a nephew, Julius, 15 years old, who has just graduated from high school.

I asked her to send me last year's curriculum that Julius had to cover. He took English, Dutch, French, Spanish, algebra, calculus, physics, history, geography, biology and accounting. This seemed a brutal assignment until I did a little arithmetic.

Julius attended classes six days a week.

He had one month's vacation in the summer—the month of August—and other holidays similar to ours during the rest of the year.

With a bit of addition and subtraction it was easy to discover that Julius, in any given year, had 83 more days of schooling than our kids do.

With almost three more months to work in, his accomplishments are not so surprising.

If the Amba program were adopted here, the quicker turnover of pupils would allow more space and could eliminate at least a part of the need of spending countless millions for building new schools and for enlarging the present school plants. Sure, we would need more teachers for the long school year.

Well, then, let's spend some of the saved millions on teachers.

WILFRED FUNK.

Aruba has many things of which to be proud. I believe Mr. Funk's letter has to be one of them.

And please, Mr. Editor, shake hands with nephew Julius.

The daughter of Mr. Wilfred Funk mentioned in Max Tak's column is Mrs. Jan Jacob Rudeloff Beauljon of Oranjestad, and her successful nephew Julius who had to cover such a "brutal curriculum" is Julius Richard Craane. To our regret we could not shake hands with him at this time, because he has since left for the U.S.A. to continue his studies at the Wheaton Academy — Wheaton, Illinois-Editor.

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# Belastingen en Welvaart

• door W.H.M. De Graaf

## Inleiding

In een kort bestek als voor een tijdschrift-artikel is geboden, kan de samenhang van "belasting" en "welvaart" moeilijk volledig worden behandeld. Bovendien kan zonder meer niet van een bepaalde samenhang worden gesproken, daar belasting een van de factoren vormt, die op het peil van de welvaart in het algemeen invloed uitoefent.

De bedoeling van dit artikel is enkele beïnvloedingsmogelijkheden te bespreken, welke van de bepalingen in de belastingwetten kunnen uitgaan.

Enige opmerkingen voortop mogen dienen om de gebruikte veronderstellingen toe te lichten. Op de eerste plaats kan men zich afvragen welke doeleinden met belastingheffing nagestreefd kunnen worden. Als eerste en meest voor de hand liggende doel mag genoemd worden het dekken van door de wettige overheid nodig geachte uitgaven. Hieronder vallen zowel de centrale overheid als de lagere organen (b.v.b. Eilandgebieden). Tevens kunnen hierbij onderscheiden worden de algemene dekking van normale uitgaven en de speciale dekking voor bijzondere uitgaven. Zo kan b.v.b. dewegenbelasting (of wel de autobelasting in de Nederlandse Antillen) gezien worden als een bestemmingsheffing, namelijk een bijdrage in de kosten van de aanleg en het onderhoud van wegen. Een tweede doel waarvoor de belastingheffing kan worden aangewend is het voeren van conjunctuurpolitiek. De leidende gedachte hierbij is, dat de overheid een taak heeft in het nivelleren van de z.g.n. conjunctuurgolven, de "hausse" en "baisse" (oftewel "boom" en "bear") in het economisch leven. Indien juist toegepast dient dan in een "hausse periode" via een verzwaarde belastingheffing door de overheid een fonds gevormd te worden, waaruit in de "baisse" periode ten dele normale overheidsuitgaven gedekt kunnen worden met gelijktijdige vermindering van de belastingdruk. Eveneens kunnen uit zulk een fonds van overheidswege extre werken worden gefinancierd ter bestrijding van eventuele werkloosheid, zoals krotopruijning, parken aanleg, stadsverfraaiing, en de uitvoer van gedurende de "hausse" met opzet achterwege gelaten noodzakelijk bouwwerken ten dienste van de overheid.

Een derde doel, waaraan de belasting dientbaar kan worden gemaakt, ligt in het sociale vlak. Dit doel wordt ook wel omschreven als herverdeling van inkomen en vermogen. Voor een deel kan dit reeds geschieden door de sociale wetgeving, welke aan werkgevers de verplichting opleggen tot het storten van premieën in fondsen, opgericht met het doel sociale voorzieningen te treffen voor de minder draagkrachtige groep van de bevolking. Aangezien langs deze weg echter slechts de bevolking wordt

(1)

bereikt, waarvan de kostwinner in dienstverband arbeid verricht, en dan nog wel alleen in bepaalde welomschreven gevallen, blijft er nog een terrein braakliggen, waar bijstand welomschreven gevallen, blijft er nog een terrein braakliggen, waar bijstand noodzakelijk is, zoals ouden van dagen, weduwen, wezen en kleine zelfstandigen.

Voorzover deze bijstand niet door particulier initiatief wordt verstrekt, kan hier een taak liggen, waar de overheid zelf kan optreden. Bovendien kan het gewenste bestaande maatschappelijke stelsel, ondanks de sociale wetgeving, leiden tot een zodanige opeenhoping en/of vermogen, dat hierin nog een onbillijkheid wordt gevoeld. Via een belastingheffing enerzijds en de hieruit te bestrijden voorzieningen anderzijds, kan dan naar een rechtvaardig geachte verdeling worden gestreefd. Men denke hierbij aan gesubsidieerde volkswoningbouw, subsidiëring van het openbaar vervoer, overheids bijdragen op spaarrekeningen van kleine spaarders (dit laatste vindt in Nederland plaats bij het z.g.n. "jeugd-sparen").

Een ander aspect verbonden aan de belastingheffing is het dienstbaar maken van bepaalde belastingmaatregelen aan bevordering dan wel afremming van investering, met de daaraan verbonden werkgelegenheid. Deze voorschriften beogen enerzijds het economisch evenwicht te handhaven, anderzijds bij de voortgaande economische ontwikkeling de gewenste factoren voor een juiste spreiding van het nationale inkomen in gelijk mate mede te doen goeien, o.a. de werkgelegenheid. In het vervolg van dit artikel zullen de genoemde punten nader in de beschouwingen worden betrokken. In het algemeen kan hierbij worden opgemerkt, dat de op te sommen doeleinden als een geheel gezien moeten worden en zij beïnvloeden elkaar wederkerig. Zij dienen dus in een bepaald stelsel met elkaar in evenwicht gebracht te worden. Tevens zijn niet alle mogelijkheden opgesomd; er zijn uiteraard meerdere doeleinden, welke in de belastingheffing worden verwerkt, die eveneens van belang zijn, doch mijns inziens buiten het kader van het gekozen onderwerp vallen. Gedacht wordt hierbij o.a. aan de handhaving c.q. herstel van het monetair evenwicht, zoals een oorlogs winstbelasting.

Indien in deze beschouwing de welvaart wordt betrocken, voor zover beïnvloed door belastingen, wordt hierdoor verstaan een zodanige grootte van het nationale inkomen, dat aan een redelijke geachte voorziening met goederen en diensten kan worden voldaan. Tevens wordt door mij onder het begrip welvaart een zodanige verdeling van dit nationale inkomen verstaan, dat ieder lid van een bepaalde volksgemeenschap van een redelijk minimum deel in dit nationale inkomen kan genieten.

Het begrip nationaal inkomen kan gezien worden als een uitvloeisel van de productie. Door de econoom Keynes is gesterkt dat het nationale inkomen gelijk is aan de som van consumptie plus de investeringen, waaruit volgt, dat de consumptieve mogelijkheden voortvloeien uit het nationale inkomen, indien de investeringen als bekend dan wel bepaald worden verondersteld.

Wil er van welvaart sprake zijn, dan moet er mijns inziens uit de productie veel nationaal inkomen worden verkregen, dat na aftrek van de noodzakelijke investeringen voldoende resteert, om een redelijke consumptie, zowel in haar geheel dan wel individueel gezien, mogelijk te maken. Onder redelijk te verstaan hetgeen in een bepaalde volksgemeenschap in een bepaalde tijd geweid wordt. Dit is dus een begrip dat herhaaldelijk aan wijziging onderhevig kan zijn en ongetwijfeld sterk langs politieke weg kan worden beïnvloed.

Een en ander moge te dezer plaats verder als gegeven worden aanvaard. Het zal duidelijk zijn, dat op grond van vorenstaande begripsbepalingen met het streven naar welvaart de omvang van de productiviteit en daarmee het nationale inkomen, van belang is. Aangezien de consumptie afhangt van de noodzakelijke investeringen en deze laatste van invloed zullen zijn op de particuliere mogelijkheden, volgt hieruit weer dat het investeringspel of wel kan indien naar welvaart wordt gestreefd. Kapitaalvorming geschiedt door sparen. Sparen vormt een besteding van het nationale inkomen. Er is dus een zeer nauwe samenhang tussen consumptie en sparen enerzijds en nationaal inkomen anderzijds. Het sparen is een eerste vereiste voor investeren en het investeren de voorwaarde voor kapitaalvorming. De kapitaalvorming is de basis voor productie.

(wordt vervolgd)

## Tourism

### "STATENDAM" LUXURY LINER IN ARUBA

On December 6 the S/S "Statendam", a luxury liner of the Holland America Line, called on the port of Oranjestad Aruba, with 650 cruisspassengers aboard. This marked the first time that a vessel belonging to this Steamship Company, which also owns the "Rotterdam", the "Maasdam", the "Nieuw Amsterdam" and the "Rijndam", called on our island. Amongst the happy passengers was one group of representatives of the Chamber of Commerce of the State of Virginia, consisting of 35 persons. The Aruba Government offered this group a cocktail at the Aruba Caribbean Hotel and Casino, at which a representative of the board of the Aruba Trade and Industry Association was present, in the committee of reception. Amongst the visitors were the Attorney General of the State of Virginia, the Honorable Albertis Harrison, accompanied by Mrs. Harrison,

Mr. Erwin H. Will, President of the Virginia State Chamber of Commerce, and Mr. Basil D. Browder, President of the Virginia Manufacturers Association and Executive Vice President of Dan River Mills, also accompanied by their respective wives.

After a welcome speech by the Lt. Governor of Aruba, Mr. F.J.C. Beujson, which was replied to by Mr. Albertis Harrison, an exchange of gifts took place, in which the Lt. Governor of Aruba was offered a picture of a famous bridge in Virginia, with the Seal and the signature of the Governor of Virginia, the Honorable Lindsay Almond Jr., an original cooked and cured "Springfiled" ham, and a set of "Dan River" sheets and pillowcases. As Mr. Browder very humoristically said, "...you can not go wrong on a Dan River sheet", which quotation of course we leave for the responsibility of Mr. Browder. We sincerely hope that the mission will carry Aruba's good reputations back to their homes, and that we may look forward to many more of these pleasant Virginia folks.

## A. T. I. COMMUNICATIONS

### IMPORT DUTIES ON TV SETS TO BE ABOLISHED.

The Government of the Netherlands Antilles has presented a proposal to the Chamber of Representatives to abolish the 14% import duties on TV sets for a period of five years. This measure is proposed in connection with the construction of TV stations on Aruba and Curacao.

### GOVERNMENT BUILDING IN ST. NICOLAS OPENED.

The new Government building in St. Nicolas houses

several island department such as Social Care, Taxcollections, Civil Register and Public Works, was opened on December 1 by the Lt. Governor Mr. F.J.C. Beujson. Speeches were held by the Lt. Governor and also by Deputy F. Wernet and Mr. J. Ceerman, Head of the Office.

### NEW TELEPHONE RATES

On December the new phone rates went into effect. From that day on the charges will be based on two cost factors. One will be the monthly subscription of f. 9.—, the other will be the charge of f. 0.04 per call. The first bill showing the number of calls placed

will be received in January of 1960, covering the period of December 1 through December 20. It is expected that the new rates will increase monthly phone bills to businessmen between 50% and 100%, depending on the number of calls placed. The system is common in many places of the world, principally in the U.S.A.

#### EXPLORATION OF ARUBA'S SOIL

Already the public was informed by the local authorities of the Island of Aruba, of its intention to have exploratory drilling performed to search for phosphate, see the proposed Budget of Aruba for 1960. Unconfirmed sources now made public that the Island authorities have entered into negotiations with a small French oil company to perform exploratory drilling for oil on the southwestern part of Aruba, e.g. between Parkietenbos and Malmok. Apparently an amount of US\$ 550,000,— is involved to sustain the expense.

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